Government of Saskatchewan

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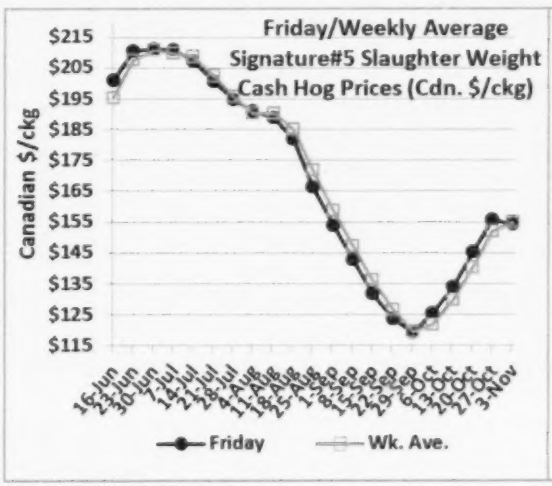
Weekly Hog Report

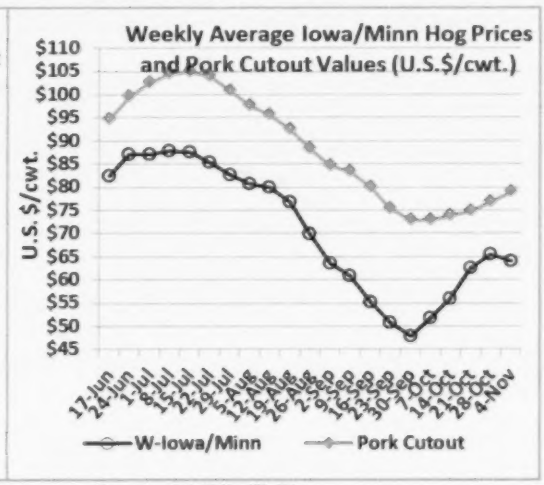
November 6, 2017

Cash Slaughter Weight Hog Prices

United States daily average slaughter weight cash hog prices (Iowa/Minn) edged lower over the week with bigger price declines on Friday helping to push daily prices lower, week-over- week. Hog prices on Friday November 3 averaged US$62.19 per cwt, down US$1.49 per cwt or 2.3 per cent from US$63.68 per cwt the previous Friday. The negotiated weekly base price last week averaged US$63.95 per cwt, down US$1.41 per cwt or 2.2 per cent from US$65.36 per cwt the previous week.



Source: HAMS Marketing

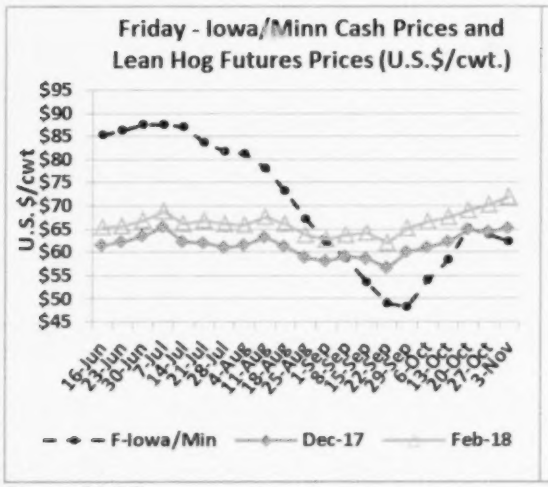


Source: LMIC, CME

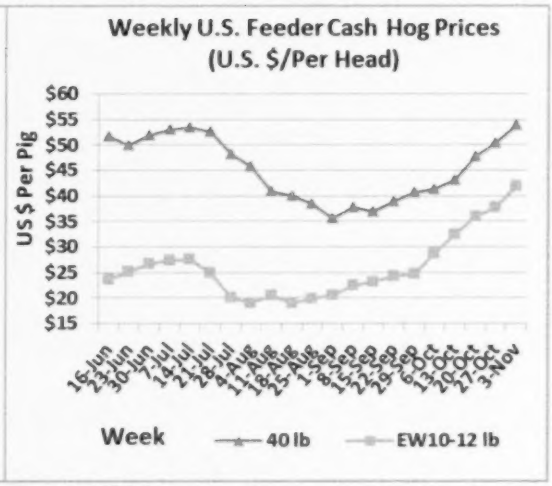
In Canada, the Signature#5 (Maple Leaf) Index 100 daily price for Friday November 3, 2017 was $153.93 per ckg, down $1.50 per ckg or 1.0 per cent from $155.43 per ckg the previous Friday. Signature#5 weekly prices (Friday to Thursday) averaged $154.83 per ckg, up $2.89 per ckg or 1.9 per cent from the previous weeks' average price of $151.94 per ckg. The Canadian dollar compared to the U.S. dollar settled last Friday at 78.35 cents, up 0.67 cents from 77.68 cents the previous Friday.

Futures Markets

United States lean hog futures daily prices were mixed last week but managed to edge higher, week-over-week. The nearby December contract increased US$0.650 per cwt to settle last Friday at US$65.100 per cwt; while the February 2018 contract increased US$1.725 per cwt to settle last Friday at US$71.975 per cwt.



Source: LMIC



Source: USDA

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices moved higher last week. Weighted average cash prices for iso-weans (12lb) last week were US$41.95 per head, up US$4.18 per head or 11.1 per cent from US$37.77 per head the previous week. Feeders (40lb) averaged US$53.78 per head, up US$3.52 per head or 7.0 per cent from US$50.26 per head, the previous week.

Iowa cash corn prices settled last Friday at US$3.02 per bushel, steady from US$3.02 per bushel the previous Friday. Daily corn futures were mixed last week but primarily unchanged from the previous week with prices declining less than one cent. The December corn contract declined slightly to settle last Friday at US$3.48 ¼ per bushel. The March 2018 corn contract also declined less than a cent to settle Friday at US$3.62 per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending November 3 were estimated at 2.453 million head, down 2.9 per cent from 2.526 million head the previous week, and down 3.1 per cent from 2.532 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks have averaged 2.490 million head, up 2.0 per cent from 2.442 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending October 28, 2017 were estimated at 441,805 head, down 1.0 per cent from 446,409 head the previous week, and down 2.9 per cent from 455,168 head the same week a year ago. Canadian hog slaughter numbers over the last eight weeks averaged 418,984 head, down 0.4 per cent from 420,555 head over the same period a year ago. Year-to-date, Canadian hog slaughter numbers totaled 17,795,959 head, up 1.6 per cent from the same period a year ago. (Source: AAFC/CFIA)

Meat Production

U.S. pork production for the week ending November 4, 2017 was estimated at 516.6 million lb., down 2.8 per cent from 531.5 million lb. the previous week, and down 3.4 per cent from 534.7 million lb. the same week a year ago. Pork production over the last four week's ending November 4 was estimated to average 524.4 million lb., up 1.8 per cent from 515.1 million lb. over the same four week period a year ago.

U.S. beef production for the week ending November 4 was estimated at 528.5 million lb., up 4.0 per cent from 508.4 million lb. the previous week, and up 3.4 per cent from 511.2 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending October 28, 2017, was estimated to average 2.211 billion lb., up 2.3 per cent from 2.162 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2017 is estimated to be up 2.3 per cent compared to the same period in 2016.

United States Weekly Meat Production

(Oct. 28) Four Week Average - Million Lb.			Percent Change	
	2016	2017	4 Week	YTD 2017
Pork	508.8	527.7	3.7%	3.0%
Beef	510.0	516.6	1.3%	4.2%
Chicken	1,009.5	1,027.4	1.8%	1.2%
Turkey	133.9	139.8	4.4%	0.6%
Total	**2,162.2**	**2,211.4**	**2.28%**	**2.29%**

Source: LMIC

Cutout Values

U.S. national pork cutout values for the week ending November 3, 2017 averaged US$78.92 per cwt, up US$2.21 per cwt or 2.9 per cent from US$76.71 per cwt the previous week; and up 7.3 per cent from US$73.56 per cwt from the same week a year ago.

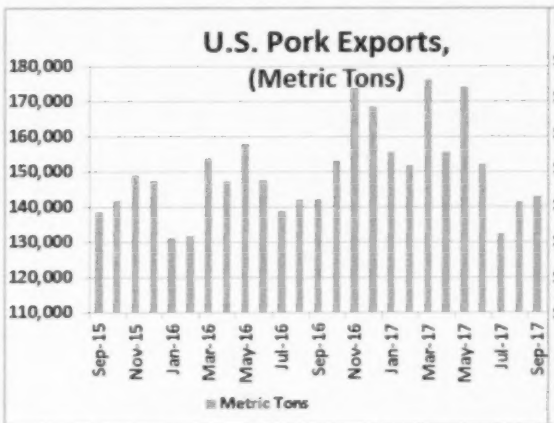
Choice beef cutout prices (600-900 lb.) for the week ending November 3, 2017 averaged US$206.83 per cwt over the week, up US$5.78 per cwt or 2.9 per cent from US$201.05 per cwt the previous week, and up 10.6 per cent from US$187.03 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending November 3, 2017 averaged US$108.73 per cwt, down US$4.81 per cwt or 4.2 per cent from US$113.54 per cwt the previous week, but up 8.0 per cent from US$100.70 per cwt the same week a year ago.

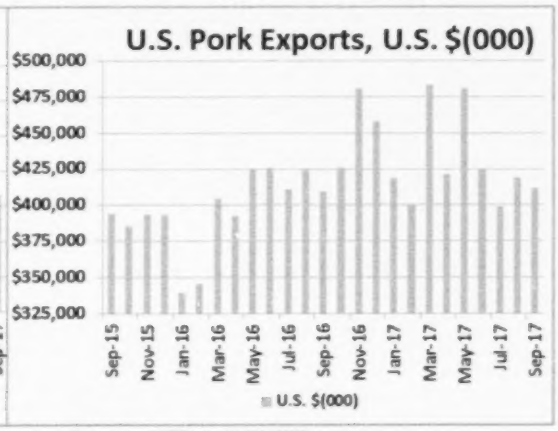
United States Pork Exports

United States pork exports in September 2017 were relatively steady from August. United States exported 143,139 metric tons of pork in September 2017, up 0.7 per cent from 141,398 metric tons in August 2017, and up 1.2 per cent from 142,113 metric tons in September 2016. U.S. pork exports by volume for September 2017 versus 2016 were higher to South America (+54%), South Korea (+35%) and Hong Kong (+28%); but lower to China (-34%) and Japan (-5%).

By dollar amount, U.S. pork exports in September 2017 were US$411.9 million, down 1.6 per cent from US$418.4 million in August 2017, but up 0.7 per cent from US$409.2 million dollars in September 2016. Year-to-date, for the first nine months including September; U.S pork exports were $3.859 billion, up 7.9 per cent compared to the same period a year ago.



Source: USDA, USMEF



Source: USDA, USMEF

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